

## **REMARKS**

Applicant expresses appreciation to the Examiner for consideration of the subject patent application. This amendment is in response to the Office Action mailed July 19, 2007. Claims 13, 14, 16 and 20-27 were rejected. The claims have been amended to address the concerns raised by the Examiner.

Claims 13, 14, 16 and 20-27 were previously presented. Claims 13, 14, 16, 20-23 and 25-27 remain in the application. Claim 24 has been canceled without prejudice. Claims 13, 14, 16 and 21 have been amended. Claims 28-36 have been added. The subject matter of these claims was previously included in claims 1-11, which were previously cancelled. No new matter has been added.

## **Claim Objections**

Claims 16 and 21-23 have been objected to for informalities. The dependency of claim 16 has been corrected. The language of claim 21 has been clarified as suggested by the Examiner. Claims 22 and 23 were objected to for the language “one of the debt to be paid off”. The Examiner suggests making the term “debt” plural. However, the language was selected to refer to one of two different items. The first item is “the debt to be paid off first” and the second item is “the next debt to be paid off”. While the linguistics may make English teachers roll over in their graves, the language “one of item A and item B” is commonly used in drafting claims and appears to be properly used in claims 22 and 23. Therefore, Applicant respectfully submits that claims 22 and 23 are allowable, and urges the Examiner to withdraw the objection

## **Claim Rejections - 35 U.S.C. § 112**

Claim 24 stands rejected under § 112, 2nd paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 24 has been cancelled.

### **Claim Rejections - 35 U.S.C. § 103**

Claims 13-14, 16, 20-21, 23-25 and 27 (including independent claim 13) were rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent 5,358,278 to Ellis in view of “Simple Steps can erase debt” by Scott Burns (hereinafter referred to as Burns).

Independent claim 13 has been amended to overcome the new rejection cited in the Office Action. Specifically, claim 13 has been amended to read, in part:

creating a numerical ranking for each of the debts based on dividing the periodic payment by an original principal amount or a remaining principal amount and dividing that amount by the payment frequency.

The additional element of dividing the ratio of periodic payment to principal amount by the payment frequency was inadvertently left out of the previous amendment. Payment frequency, as used in the application, is defined to be the number of payments made in a one month period. (see page 15, lines 13-25). The use of the payment frequency in calculating which debt is to be paid off first provides a substantial benefit by enabling debts to be compared on a more equivalent basis. The Applicant believes that dividing the ratio by the payment frequency provides an optimal system for minimizing the amount of time needed to pay off a plurality of debts.

An example of the numerical ranking disclosed in Burns (Balance over payment) is given below:

Burn's (Term Not Applicable)

Account	Balance	Interest Rate	Payment	Freq.	Formula	Rank
Credit Card #1	\$4600	16%	\$115.00	N/A	40	1
Credit Card #2	\$5400	18%	\$108.00	N/A	50	2
Auto Loan	\$25,000	7%	\$417.41	N/A	59.89	3
Mortgage	\$150,000	8%	\$1100.65	N/A	136.28	4

In contrast, when the payment frequency is taken into account, a different ranking is achieved, as disclosed below, wherein the payment is divided by the balance to provide a ratio which is then divided by the payment frequency (# of payments / month). The result is then multiplied by 10,000 to eliminate large decimal numbers.

Present Invention (Includes the Term)

Account	Balance	Interest Rate	Payment	Freq.	Formula	Rank
Credit Card #2	\$5,400	18%	\$108.00	1	200	1
Credit Card #1	\$4,600	16%	\$115.00	2	112.5	2
Auto Loan	\$25,000	7%	\$417.41	1	166.8	3
Mortgage	\$150,000	8%	\$1100.65	2	36.68	4

It can be seen that the Burns method ranks the four debts to be paid off in the order of credit card #1, credit card #2, auto loan, and then mortgage. In contrast, when the payment frequency is taken into account, the ranking system disclosed in the present invention ranks the four debts as credit card #2, credit card #1, auto loan, and mortgage. This provides a useful, non-obvious advantage that is not disclosed in any of the cited prior art. Thus, the present invention is not disclosed in Ellis, Burns, or in the combination of the two.

Therefore, Applicant respectfully submits that independent claim 13 is allowable, and urges the Examiner to withdraw the rejection.

Rejection of the dependent claims 14, 16, 20-23 and 25-27 should be reconsidered and withdrawn for at least the reasons given above with respect to the independent claim. The dependent claims, being narrower in scope, are allowable for at least the reasons for which the independent claim is allowable. Newly added dependent claims 28-36 should also be considered allowable for at least the reasons given above with respect to the independent claim.

## CONCLUSION

In light of the above, Applicant respectfully submits that pending claims 13-16, 20-23 and 25-36 are now in condition for allowance. Therefore, Applicant requests that the rejections and objections be withdrawn, and that the claims be allowed and passed to issue. If any impediment to the allowance of these claims remains after entry of this Amendment, the Examiner is strongly encouraged to call Steve Perry at (801) 566-6633 so that such matters may be resolved as expeditiously as possible.

Fees in the amount of \$230.00, will be submitted electronically pursuant to 37 C.F.R. § 1.17(a) (II), for a two month extension of time pursuant to 37 C.F.R. § 1.136. Nine independent claims were added for a total of 19 claims. Therefore, no additional fee is due.

The Commissioner is hereby authorized to charge any additional fee or to credit any overpayment in connection with this Amendment to Deposit Account No. 20-0100.

DATED this 19th day of December, 2007.

Respectfully submitted,

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